

### REMARKS

This application has been reviewed in light of the Office Action dated June 24, 2005. Claims 1-27, 29, 30, 32, and 36-40 are presented for examination, of which Claims 1, 30, 36, 37, 38, and 39 are in independent form. Claims 31, 33, 34, and 35 have been cancelled without prejudice or disclaimer of subject matter, and Claims 1, 8, 11, 13-15, 17, 18, 20-25, 30, 32, and 36-40 have been amended to define Applicants' invention more clearly. Favorable reconsideration is respectfully requested.

As an initial matter, Applicants respectfully request the Examiner to consider International Publication No. WO 99/11343, which was cited in the Information Disclosure Statement ("IDS") filed on September 5, 2001, and to return an initialed copy of the PTO-1449 form attached to the IDS indicating that the WO 99/11343 publication was considered and made of record in this application. Applicants note that the Examiner has returned a copy of the PTO-1449 form with all the references initialed except for the WO 99/11343 publication, which was crossed out with a handwritten notation that no translation was provided. Applicants submit, however, that an English translation of the abstract for the WO 99/11343 publication was provided, as indicated on the PTO-1449 form. Applicants further submit that the English abstract provides a concise explanation of relevance of the WO 99/11343 publication. For the Examiner's convenience, another copy of the English abstract is attached. Accordingly, return of an initialed copy of the PTO-1149 form, acknowledging consideration of the WO 99/11343 publication, is respectfully requested.

The Office Action states that Claims 1-10, 12-15, 18-27, 29-32, and 35 are rejected under 35 U.S.C. § 103(a) as being unpatentable over the article "Consumer issues in coupon usage: An exploratory analysis" (Bonnici et al.) in view of U.S. Patent No. 6,041,309 (Laor); and that Claims 11, 16-17, 33-34, and 36-40 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Laor in view of Bonnici et al. and further in view of

U.S. Patent No. 6,336,099 (Barnett et al.). Applicants respectfully traverse the rejections and submit that independent Claims 1, 30, 36, 37, 38, and 39, together with the claims dependent therefrom, are patentably distinct from the cited references for at least the following reasons.

An aspect of the present invention as set forth in independent Claim 1 is directed to a method for motivating a consumer to promptly indicate an interest in purchasing a product and/or service over a computer network. According to the method, a server provides the consumer's computer with a program, which causes the consumer's computer to present the consumer with an offer for sale of a product and/or service. The offer is for the purchase of the product and/or service, and concurrently with presentation of the offer the consumer is presented with an incentive to purchase the offered product and/or service. To encourage the consumer to make an immediate purchase, the incentive changes in value over a period of time. When the consumer indicates an acceptance of the offer, the consumer's computer provides the server with an indication of acceptance and a current value of the incentive.

One of the notable features of Claim 1 is that the server registers an initial time or time when the incentive initially is presented to a consumer, and also registers an acceptance time or time when the consumer indicates an acceptance of the offer. The server then verifies the current value of the incentive provided by the consumer's computer by comparing the initial time and the acceptance time. By virtue of this feature, the server can make sure that the value of the incentive is accurate and has not been tampered with to fraudulently obtain a greater value. Support for this feature may be found in the specification at, for example, the paragraph bridging pages 13 and 14.

Bonnici et al. is a non-technical article that is understood to relate to an analysis of the consumer decision making process regarding what issues deter people from using coupons. Bonnici et al. is based on the results of questionnaires given to college

students. (See Bonnici et al.: “Introduction” on pages 2-3.) Bonnici et al. states that four factors deter paper coupon use: (1) the consumer’s perception that couponed products are of low quality and, therefore, the consumer’s embarrassment at using coupons in front of other people when they are shopping; (2) the consumer’s forgetfulness to use coupons, partly as a result of a delay between cutting them out and the consumer’s visit to the store; (3) the inconvenience in using coupons, e.g., having to organize them and worrying that the store might not carry the couponed item or might only carry a different sized product; and (4) the perception that coupons expire quickly. (See Bonnici et al.: “Findings” on page 5.)

Bonnici et al. is understood by the Applicants to teach away from the invention of Claim 1. All of the four factors presented in Bonnici et al. are based on the fact that the coupons are *paper coupons* that need to be cut out, stored in some orderly fashion for use, and the redeemed when a couponed item is needed and before its coupon expires. Factor one is predicated on the fact that people feel “embarrassed to use coupons in their shopping.” (See Bonnici et al.: “Findings” on page 5.) The article relays what one of the survey respondents wrote that using a coupon at the store is “like begging for a quarter or two at the cash register.” (See Bonnici et al.: “Findings” on page 5.) This factor would not be a consideration for the invention of Claim 1, because the consumer can make purchases with coupons without others knowing. Factor two is predicated on the “delay between scissoring-out of the coupons and the consumer’s visit to the retail outlet.” (See Bonnici et al.: “Findings” on page 5.) Factor three is predicated on the “hassle” due to factors such as the fact that coupons “are difficult to stack in an orderly fashion” and the lack of “guarantee that [the stores] will carry the couponed products.” (See Bonnici et al.: “Findings” on page 5.) Factor four is predicated on the expiration date of coupons and mentions that “at the cash register, a cashier’s propensity to notice an expired date could leave an indelible, humiliating impression on the buyer’s mind,” i.e., more feelings of embarrassment. (See Bonnici et al.: “Findings” on page 5.)

In discussing the consumer's perception that coupons expire fast, Bonnici et al. makes a passing reference to a coupon of variable value by stating "[o]ther creative possibilities include a gradual reduction in the coupon's value over the months it takes to be redeemed." (See Bonnici et al.: "Findings" on page 6.) However, in addition to the fact that Bonnici et al. was discussing paper coupons in the above-quoted section, Bonnici et al. does not further discuss or explain how this reduction in value would be accomplished.

Laor is understood to relate to a system for distributing and redeeming electronic coupons. Laor discloses downloading from a server an electronic coupon to a client computer and the ability of the server of the issuer of the coupon to detect if a client is in possession of that coupon in order to allow it to be redeemed. (See Laor: column 2, lines 6-49.) In Laor, there is *no mention of a coupon of variable value*.

Neither Bonnici et al. nor Laor, considered individually or in any permissible combination, is believed to teach or suggest a method for motivating a consumer to promptly indicate an interest in purchasing a product and/or service over a computer network, wherein the method includes "providing from a server over the computer network to a consumer's computer a program that causes the consumer's computer to: (a) present to said consumer an offer for sale of a product and/or service that may be purchased immediately by said consumer via the computer network, (b) concurrently present to said consumer an incentive for purchasing said product and/or service promptly, wherein the program causes said incentive to be initially set to an initial value and then changes said incentive over a period of time to at least one other, and (c) when said consumer indicates an acceptance of the offer, provide to the server an indication of acceptance and a current value of said incentive," and "registering at the server an initial time at which said incentive is initially presented to said consumer," and "registering at the server an acceptance time at which said consumer indicates an

acceptance of the offer,” and “comparing the initial time and the acceptance time to verify the provided current value of said incentive,” as recited in Claim 1.

The Office Action states generally that “[i]t would have been obvious to one skilled in the art at the time of the invention to add Laor to Bonnici to import to the online world the conveniences of brick and mortar redemption of coupons and to prod the consumer into acting quickly with the decreasing coupon as specifically disclosed by Bonnici.” (See the Office Action at page 4.) Applicants notes, however, that it is now well settled that the “mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art suggests the desirability of the combination.” (MPEP 2143.01.) It is respectfully submitted that Laor does not suggest or even recognize that consumers need prodding to use coupons, and therefore a person of skill would not seek a way to prod consumers into using coupons. Further, neither of the cited references discloses or suggests the notable feature of Claim 1 discussed above.

Accordingly, for at least the above reasons Applicants submit that Claim 1 is patentable over Bonnici et al. and Laor, and respectfully request withdrawal of the rejection under 35 U.S.C. § 103(a). Independent Claim 30 includes features similar to those of Claim 1 and therefore is believed to be patentable for at least the reasons discussed above.

An aspect of the present invention as set forth in independent Claim 36 is directed to a method for motivating a consumer to promptly indicate an interest in purchasing a product and/or service over a computer network. According to the method, a server provides the consumer’s computer with a program that causes the consumer’s computer to present the consumer with an offer for sale of a product and/or service to be purchased immediately by the consumer via the computer network. Concurrently with the offer, the consumer is presented with an incentive to purchase the product and/or service over the computer network. To encourage the consumer to make an immediate or prompt

purchase, the incentive initially is set to a predetermined non-zero maximum value, which decreases over a period of time to a non-zero value lower than the maximum value. When the consumer indicates an acceptance of the offer, the consumer's computer provides the server with an indication of acceptance and a current value of the incentive.

Similar to Claim 1 discussed above, one of the notable features of Claim 36 is that the server registers an initial time or time when the incentive initially is presented to a consumer, and also registers an acceptance time or time when the consumer indicates an acceptance of the offer. The server then verifies the current value of the incentive provided by the consumer's computer by comparing the initial time and the acceptance time. As discussed above, this feature enables the server to make sure that the value of the incentive is accurate and has not been tampered with to fraudulently obtain a greater value. Support for this feature may be found in the specification at, for example, the paragraph bridging pages 13 and 14.

Barnett et al. is understood to be directed to a system for the electronic distribution of coupons, which once received are printed out by a consumer and then used to make conventional purchases at a store. (See Barnett et al. at col. 10, line 58, to col. 11, line 25.) Applicants note that no concurrent offer for sale of a couponed product is associated with a coupon presented to the consumer. As a result, the Barnett et al. system does not enable an immediate, impulse purchase to be made by the consumer.

Barnett et al. makes a passing statement that "[i]n the alternative, the coupon may be redeemed electronically." (See Barnett et al. at col. 11, line 35; emphasis added.) However, Barnett et al. provides no indication of how that would be done. In addition, there is no suggestion in Barnett et al. to combine a coupon redeemed electronically with the concept of a variable coupon. Thus, Barnett et al. fails to teach or suggest the concept of concurrent presentation of an offer for sale of a product and/or service that may be purchased immediately via a network and a variable incentive for

making an immediate purchase of the product and/or service. Additionally, nothing has been found in Barnett et al. that is believed to teach or suggest the notable feature of Claim 36 discussed above.

Accordingly, Barnett et al. fails to remedy the deficiencies of Bonnici et al. and Laor. Therefore, Applicants submit that Claim 36 is patentable over any permissible combination of Laor, Bonnici et al., and Barnett et al., and respectfully request withdrawal of the rejection under 35 U.S.C. § 103(a). Independent Claims 37-39 include features similar to those of Claim 36, and therefore are submitted to be patentable for at least the reasons discussed above.

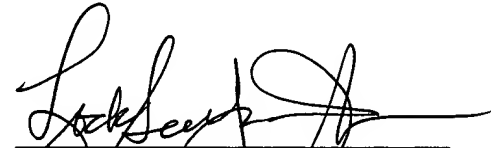
The other rejected claims in this application each depend from one or another of the independent claims discussed above and are therefore believed to be patentable for the reasons discussed above. In addition, each dependant claim recites additional patentable features of the present invention, and individual reconsideration of each claim is respectfully requested.

In view of the above amendments and remarks, favorable reconsideration and an early passage to issue are respectfully requested.

CONCLUSION

Applicants' undersigned attorney may be reached in our New York office by telephone at (212) 218-2100. All correspondence should continue to be directed to our below listed address.

Respectfully submitted,



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